NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 30, 1998

Mr. Miles Williams, VP Anschutz Ranch East Pipeline, Inc. 2400 Quest Tower 555 17th Street Denver, Colorado 80202

CPF No. 58502M

Dear Mr. Williams:

On November 4-5, 1997, representatives of the Western Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an inspection of your facilities and records of the Anschutz Ranch East District of the liquid transmission system owned and operated by Anschutz Ranch East Pipeline, Inc.

As a result of the inspection, it appears that you have committed a probable violation as noted below of the pipeline safety regulations, Title 49, Code of Federal Regulations, Part 192. The following item is noted as a probable violation:

1. §195.442 (a) After September 20, 1995, and except for pipelines listed in paragraph (c) of this section, each operator of a buried pipeline shall carry out in accordance with this section a written program to prevent damage to that pipeline by excavation activities. For the purpose of this section, "excavation activities" include excavation, blasting, boring, tunneling, backfilling, the removal of above ground structures by either explosive or mechanical means, and other earth moving operations. An operator may comply with any of the requirements of paragraph (b) of this section through participation in a public service program, such as a one-call system, but such participation does not relieve the operator of responsibility for compliance with this section.

- (b) The damage prevention program required by paragraph (a) of this section must, at a minimum:
- (1) Include the identity, on a current basis of persons who normally engage in excavation activities in the area in which the pipeline is located.
- (2) Provide for notification of the public in the vicinity of the pipeline and actual notification of the persons identified in paragraph (b)(1) of this section of the following, as often as needed to make them aware of the damage prevention program:
- (i) The program's existence and purpose; and
- (ii) How to learn the location of underground pipeline before excavation activities are begun.
- (3) Provide a means of receiving and recording notification of planned excavation activities.
- (4) If the operator has buried pipelines in the area of excavation activity, provide for actual notification of persons who give notice of their intent to excavate of the type of temporary markings to be provided and how to identify the markings.
- (5) Provide for temporary marking of buried pipelines in the area of excavation activity before, as far as practical, the activity begins.
- (6) Provide as follows for inspection of pipelines that an operator has reason to believe could be damaged by excavation activities:
- (i) The inspection must be done as frequently as necessary during and after the activities to verify the integrity of the pipeline; and
- (ii) In the case of blasting, any inspection must include leakage surveys.
- (c) A damage prevention program under this section is not required for the following pipelines:
- (1) Pipelines located offshore.
- (2) Pipelines to which access is physically controlled by the operator.

At the time of the inspection, Anschutz Ranch East Pipeline's general procedures were inadequate in that they did not include specific detailed procedures addressing the requirements of 192.442

Written procedures shall state the purpose and objectives of the damage prevention program and provide methods and procedures to achieve them. Applicable state and local requirements must be reviewed. The procedures should also include the following:

Definition of excavation activities.

One-call systems.

Identifying entities to be informed of the program.

Methods of informing entities of the program.

Information to be communicated. Receiving excavation notification. Responding to excavation notifications. Inspecting pipelines.

The Operator shall document these actions.

As provided in 49 CFR §190.237, this Notice serves as your notification that this office considers your procedures/plans inadequate. Under 49 CFR § 190.237, you have a right to submit written comments or request an informal hearing. You must submit written comments or a request for a hearing within 30 days after receipt of this Notice. If you do not wish to contest this Notice of Amendment, you may provide your revised procedures within 30 days of receipt of this notice. After reviewing the record, the Associate Administrator for Pipeline Safety will determine whether your plans or procedures are adequate. The criteria used in making this determination are outlined in 49 CFR § 190.237.

When appropriate procedures have been prepared, submit them to Director, Western Region, Office of Pipeline Safety, Research and Special Programs Administration, 12600 West Colfax Avenue, Suite A-250, Lakewood, Colorado 80215

Please refer to CPF No. 58502M in any correspondence on this matter.

Sincerely,

Edward J. Ondak Director C:\OPS\docs\noa\cpf58502.wpd